

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

Dereck Weatherman,

Plaintiff,

vs.

Goodleap LLC,

Defendant.

Case No. 1:24-cv-00680-WO-JLW

**Defendant GoodLeap, LLC's Motion
to Compel Arbitration and Stay Case**

Defendant GoodLeap, LLC ("GoodLeap") responds to the Complaint filed by Plaintiff Dereck Weatherman on August 14, 2024, by moving to compel arbitration and to stay this case pending arbitration, under the Federal Arbitration Act, 9 U.S.C. §§ 3–4 (the "FAA") and Rule 12(b) the Federal Rules of Civil Procedure. The grounds for this motion are:

- I. The Arbitration Agreement is valid and enforceable, so the Court should compel the matter to arbitration.
- II. The Loan Agreement and its arbitration provision are enforceable against Plaintiff even if he did not sign the Loan Agreement, and any questions about enforcing the agreement must be decided by an arbitrator.
 - A. Plaintiff has ratified the Loan Agreement.
 - B. Direct Benefits Estoppel also applies.
 - C. Plaintiff's wife was his agent and bound him to the Loan Agreement.
 - D. Even if there were concerns about the validity of the Loan Agreement, the Court must allow an arbitrator to decide these threshold issues.

III. The arbitration agreement covers the claims raised and the interstate dispute between the parties.

A. Plaintiff's claims fall within the arbitration agreement.

B. The parties' transaction has a relationship to interstate commerce.

GoodLeap files this motion in lieu of filing an answer. *See* Rule 12(a); *1 Foot 2 Foot Centre for Foot and Ankle Care, P.C. v. DavLong Business Solutions, LLC*, 631 F. Supp. 2d 754, 756 (E.D. Va. 2009) (explaining that defendants filed a motion to compel arbitration in lieu of filing an answer to plaintiff's complaint, and that courts treat said motions as pre-answer responsive pleadings); *Intec USA LLC v. Engle*, 2006 WL 753180, at *1 n.1 (M.D.N.C. 2006) (stating courts "traditionally entertain[]" motions not enumerated in the Federal Rules of Civil Procedure, including motions to stay pending arbitration, as pre-answer motions).

In support of this motion, GoodLeap files its Brief in Support and the following exhibits:

- Exhibit 1 – Loan Agreement.
- Exhibit 2 – Matt Dawson Declaration.
- Exhibit 3 – Call Recording, April 18, 2022.¹
- Exhibit 4 – Informal Call Transcript.

¹ A placeholder exhibit is filed with the Brief. A CD with the call recording is being mailed to the Clerk of Court with a copy to Plaintiff's counsel contemporaneously with filing this Motion.

Conclusion

GoodLeap denies the validity of Plaintiff's claims. But regardless of their merit, Plaintiff must arbitrate his claim against GoodLeap on an individual basis as required by the binding arbitration provisions in the Loan Agreement Plaintiff signed with GoodLeap. Thus, GoodLeap requests that the Court compel these claims to arbitration and stay this case.

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October 10, 2024

Certificate of Service

I certify that on the date set forth below, I electronically filed the foregoing with the Clerk of Court and all counsel of record using the CM/ECF system.

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